

To the members of the Finance, Revenue and Bonding Committee,

My name is Melinda Tuhus and I live in Hamden. I am speaking for the CT Climate Crisis Mobilization, which is a member of Recovery for All. We are in favor of these three bills – SB 21, SB 28 and SB 29 – because they will help shrink the incredible income disparities we see in our state. In the middle of the last century, taxes on corporations and the wealthy were much higher than they are now, and not coincidentally we had greater equity and more people enjoyed the social goods that are becoming scarcer and scarcer, like clean water, municipal services, and even a roof over their heads. Specifically, SB 28 establishes a 1% surcharge on capital gains earnings for households earning over \$1 million and individuals who earn at least \$500,000. If passed, the bill could raise \$130 million annually.

There are so many great things we could do to help our state mitigate and adapt to climate change and improve public health with additional funding: We could fully fund the remediation needed to prepare housing for energy efficiency retrofits. We could buy electric school buses for all our students, and fully electrify transit buses, just for starters. These are not luxuries, but rather necessities, to keep our people safe.

I'm going to give one other example of how that money could be used to clean up our air and help our climate.

After the devastating tornado of 2018, I joined the trails crew at Sleeping Giant State Park to help clear 32 miles of trails. I just lucked into a team that not only had great people, but the sawyer had an electric saw. It was such a pleasure to breathe in the clean woods air and be able to carry on a conversation with my teammates. One time several teams worked in close proximity and I was exposed to the noise and pollution of another sawyer's gas-powered equipment. It was not only unpleasant but very unhealthy. We couldn't have a conversation and I felt like I needed a gas mask.

Gas-powered small, off-road engines – like leaf blowers, lawn mowers, snowblowers and chain saws – do incredible damage to our lungs and our ears and our sense of well-being. They are major contributors to both ground-level pollution and the carbon pollution that causes climate change.

Last year 39,000,000 gallons of gasoline were burned in CT just for lawn and garden care. Certainly that has big climate impact.

About ten years ago, the state spent half a million dollars for cities and regional school districts to exchange their old, gas-powered lawn and grounds maintenance equipment for new, lower-polluting gas-powered machines. CT paid 80% of the cost. Now, we have electric versions, which are cleaner and quieter. We could use some of that money to enable homeowners and lawncare companies to exchange their polluting equipment for electric versions.

Thanks for the opportunity to testify.

They are mostly two-stroke engines, which are vastly more polluting than cars and trucks because the fuel doesn't fully combust so droplets of gasoline are released directly into the air. Running a 2-stroke leaf blower for 30 minutes produces the same hydrocarbon emissions as driving a Ford 150 Raptor from Texas to Alaska

If we could go further and generate higher taxes on the highest earners and corporations, we could invest some of that money in climate solutions that we desperately need. We could increase the corporate income tax rate from 7.5% to 11.5% and extend the surtax to 20% for corporations with incomes of \$100 million or more. Asking multi-million-dollar corporations across Connecticut to pay what they owe would generate between \$250 million and \$300 million annually.

And we could raise personal income tax rates on high earners. Those with incomes over \$500,000/year should pay 8.82%, and those with incomes over \$1 million/year should pay 12.69%. Making Connecticut's personal income tax rates fairer and more competitive with neighboring states would generate approximately \$1.75 billion annually.

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We could also invest in

I'm 74 years old, and I use an electric lawnmower and I still shovel our snow and rake our leaves – it's great exercise!

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A landscaping crew operating multiple leaf-blowers typically exceeds the WHO-recommended maximum daytime noise level of 55dB (this is also the New Haven residential noise ordinance standard) for 800 feet in all directions.

Electric blowers can actually save money: A recent University of Arkansas study found the annual cost of an electric blower to be \$120, compared with \$329 for a GLB

If the state had is asking coalition partners to testify in support of SB 21, SB 28 and SB 29 (highlighted below) AND remind the Committee that in order to create real tax fairness and have the resources to fund programs and services that eliminate opportunity gaps and build equity, we need to have a comprehensive approach that includes those three bills but also (1) raises income tax rates on the highest earners; (2) increases corporate income tax rates and establishes a surcharge for highest earners; (3) institutes a digital ad tax on mega-profitable tech companies; (4) establishes a child tax

credit; (5) provides pandemic pay to essential workers; and (6) creates transparency mechanisms to shine light on how much huge corporations are actually paying in taxes.

SB 21 AN ACT CONCERNING A STATE-WIDE PROPERTY TAX ON CERTAIN RESIDENTIAL REAL PROPERTY

- Establishes a statewide property tax of 2 mills on homes with an assessed value of \$1,200,000 or more and dedicates that revenue to special education costs and school desegregation initiatives. If passed, the bill could raise about \$86 million annually.

SB 28 AN ACT ESTABLISHING A CAPITAL GAINS SURCHARGE

- Establishes a 1% surcharge on capital gains earnings for households earning over \$1 million and individuals who earn at least \$500,000. If passed, the bill could raise \$130 million annually.

SB 29 AN ACT CONCERNING THE EARNED INCOME TAX CREDIT

- Congress originally approved the federal tax Earned Income Tax Credit (EITC) in 1975 to provide relief to low-income earners. Connecticut enacted a state level EITC in 2011. When the federal and Connecticut EITC amounts exceed the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit. SB 29 permanently expands the state EITC from 30.5% to 41.5%, providing relief to households with low incomes and enhancing economic growth and household spending. This increase would cost \$74 million annually, but for every dollar spent on EITC, the credit generates at least \$1.24 for the economy.